



What's New in B.C.

SPRING 2012

SPOTLIGHT ON B.C.: CONFECTIONERY

The Canadian confectionery industry is especially versatile having refined its craft in a culturally diverse country, an advantage that has allowed confectionery manufacturers to customize products for a wide range of regional and ethnic preferences. As one of the top three confectionery exporting provinces, the success of B.C.'s chocolate and sugar confectionery offerings (HS Code 1806: Chocolate and other food preparations containing cocoa; and HS Code 1704: Sugar confectionery, including white chocolate, not containing cocoa) has diversified an industry largely dominated by multinationals and captured markets in every part of the world.

In B.C., the total number of sugar and confectionery product manufacturing establishments in 2009 was 54, down from 59 in 2005. However, revenue in this sector has increased steadily from CAD\$303 million in 2005 to \$456 million in 2009. The total number of employees in this sector has also increased, from 1,127 in 2005 to 1,340 in 2009.



Chocolate Confectionery

With Ontario and Quebec together making up almost 94% of Canadian chocolate exports, B.C. may seem like a minor industry player in comparison. However, B.C.'s chocolate confectionery industry has experienced significant growth since 2008, when B.C. exported CAD \$21 million worth of chocolate.

That number has more than doubled to \$54 million in 2011. A key market of this industry is the U.S., which comprised 92% of all B.C. chocolate exports in 2011, totalling \$50 million. This is a significant increase compared to \$34 million in chocolate exports to the U.S. just a year earlier. Out of the top 10 markets for B.C. chocolate exports, four are in Europe and another four are in Asia.

Given that the Canadian chocolate confectionery industry remains heavily saturated, manufacturers have begun to reinvest their resources into other business strategies. Corporate social responsibility has become increasingly important in purchasing decisions as consumers are likely to support brands they know are promoting a good cause. Mass-market chocolate confectionery has lost ground to premium dark chocolate and functional variants as consumers become more health conscious. As a result, growth in this sector will be primarily driven by ongoing consumer demand for premium chocolate such as dark and organic.



Sugar Confectionery

Again behind only Ontario and Quebec, B.C. was responsible for almost 4% of the \$455 million in Canadian sugar confectionery exports in 2011. 95% of B.C. sugar confectionery exports that year went to the U.S., totalling almost \$17 million. Four of the other top 10 markets for B.C. sugar confectionery exports are in Asia. One notable European market is the U.K., where

B.C. sugar confectionery exports went from zero in 2009 to \$152,820 in 2010, before lowering to \$93,000 in 2011.

Sugar confectionery in Canada is anticipated to marginally decline to reach constant value sales of \$588 million by 2016. In addition to Canada's low birth rate, which has significantly reduced demand and innovation in Canadian sugar confectionery, growing public concern over children's sugar intake has caused parents to be more involved in managing their children's diet, such as banning sugary and unhealthy snacks. Despite the success of organic chocolate confectionery, organic sugar confectionery remains unexplored.

To learn more about the Canadian confectionery industry, please consult the following Agriculture and Agri-Food Canada industry report: www.ats.agr.gc.ca/pro/4695-eng.htm.

MEDIA MONITORING

Brookside gets a kiss from Hershey's
Abbotsford Times –
December 2011

Brookside Foods of B.C. (www.brooksidefoods.com) is known for its innovative pairings - dark chocolate with goji and raspberries, with acai and blueberries or with pomegranate. Now the Abbotsford confectioner is pairing up with American chocolate giant Hershey's.

The confectionery giant known for Kisses, Reese's Pieces, Peppermint Patties and more said it has reached an agreement to buy the privately-owned Brookside for an undisclosed amount. Hershey's seems smitten by Brookside's unique treats that blend healthy fruits and chocolate in distinct, high-quality combinations.

"The acquisition of Brookside is an opportunity for Hershey to expand our portfolio in this category," said Hershey CEO and president John P. Bilbrey in a Dec. 8 statement.

"Brookside pairs dark chocolate with exotic fruitjuice centers, such as goji, acai, blueberry and pomegranate, to create great-tasting treats, while delivering the benefits of flavanols and antioxidants."

To find out more, please visit:
www.abbotsfordtimes.com/health/Brookside+gets+kiss+from+Hershey/5863901/story.html#ixzz1rf9xeYIb.



FEATURE COMPANY: PUNJAB MILK FOODS INC.





MEDIA MONITORING

Chocolate may be good for your heart, study finds

Globe and Mail –
March 2012

Eating chocolate is not only a treat for the tongue - it may also have some tangible benefits for heart health, such as lowering blood pressure slightly, according to a study involving more than 1,000 people.

The study, which combined the results of 42 smaller studies and was published in *The American Journal of Clinical Nutrition*, also found that participants had small improvements in blood-vessel function and a dip in their insulin levels.

A number of past studies have found that chocolate lovers seem to have lower rates of certain heart risks, such as high blood pressure.

“My take-away message would be that if people like dark chocolate, then eating a little in place of other ‘treat’ foods is fine, and may be beneficial,” said study leader Lee Hooper of Norwich Medical School in Britain.

To find out more, please visit: www.theglobeandmail.com/life/health/new-health/health-news/chocolate-may-be-good-for-your-heart-study-finds/article2356692.



FEATURE COMPANY: ROGERS' CHOCOLATES LTD.



MEDIA MONITORING

Love chocolate? That may be good news for your waistline

Globe and Mail –
March 2012

Most people trying to manage their weight don't eat chocolate on a regular basis for fear of consuming too many calories, not to mention excess fat and sugar.

But new study findings published earlier this week in the Archives of Internal Medicine, suggest you don't have to ditch chocolate from your diet. According to the researchers, frequent chocolate eaters actually weigh less - not more - than people who seldom eat it.

Chocolate, in particular dark chocolate, has previously been linked to a lower blood pressure and cholesterol level. Regular chocolate consumption has also been shown to improve how the body uses insulin, the hormone that sends glucose (sugar) from the bloodstream into cells where it's used for energy.

High blood pressure and elevated blood glucose are two features of metabolic syndrome, a disorder believed to double the risk of heart attack and increase the likelihood of developing type 2 diabetes by fivefold.

Having a large waist circumference is another part of the metabolic-syndrome picture.

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For the study, researchers from the University of California in San Diego wanted to find out if the benefits of chocolate also extended to reducing body fat, offsetting its extra calories.

They obtained dietary data from 1,018 healthy men and women, average age 57. Participants were also asked how many times per week they ate chocolate. Body weight and height were measured to determine each participant's body mass index (BMI).

BMI is calculated by dividing a person's weight (in kilograms) by his height (in metres squared). BMI values from 18.5 to 24.9 are defined as normal weight and linked with a lower risk of health problems.

Adults who ate chocolate more frequently had a lower BMI than those who consumed it less often, despite eating more overall calories. In fact, BMI was one point lower among people who indulged five times a week compared to not at all. One point on the BMI scale translates to seven pounds if you're 5 foot 10, or a five pound difference if you're 5 foot 3.

The lower BMI of the frequent chocolate eaters was not explained by exercise nor did they appear to have a healthier diet.

To find out more, please visit: www.theglobeandmail.com/life/health/new-health/health-nutrition/leslie-beck/love-chocolate-that-may-be-good-news-for-your-waistline/article2384507/print/be-good-for-your-heart-study-finds/article2356692.





FEATURE COMPANY: SUMMERLAND SWEETS LTD.



Pacific Agri-Food Research Centre (PARC): Supporting B.C.'s Fruit Growers

PARC is one of Agriculture and Agri-Food Canada's national network of 19 research centres. PARC consists of two sites: one in Agassiz, and a separate facility in Summerland. Major research at both sites is conducted on understanding the linkages between food, nutrition and health, securing and protecting food production, and balancing the activities of agriculture with the goal of a sustainable environment.

Areas of research include: determining factors affecting fruit's shelf life and quality; discovering ways to enhance fruit quality; and understanding the effects of disease-bearing insects, germs and microbes in fresh fruit. All of which helps to make local, high-quality fruit available for B.C.'s confectioners.

For more information on PARC, please visit: www.agr.gc.ca/researchcentre/agassiz-summerland.



For more information, please contact the BC Regional office at 604-666-6344 or email: atsbc@agr.gc.ca. Aussi disponible en français.

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